BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2006-328-C - ORDER NO. 2007-199

MARCH 23, 2007

IN RE: Petition of the Office of Regulatory Staff to
Require ConnectNow! Telecomm, LLC to
Issue Refunds

ORDER GRANTING
DEFAULT FOR
FAILURE TO ANSWER

This matter comes before the Public Service Commission of South Carolina ("the Commission") by way of the Office of Regulatory Staff's ("ORS") December 15, 2006, motion to hold ConnectNow! Telecomm, LLC ("ConnectNow!") in default for failure to answer. ORS filed the original Petition in this case on October 20, 2006, seeking to recover refunds for customers who had prepaid ConnectNow! for local service. ConnectNow! terminated service to these customers on October 10, 2006. On October 25, 2006, the Commission issued a thirty-day notice instructing ConnectNow! to file an Answer to the ORS Petition with the Commission and to serve a copy of the Answer on ORS. The thirty-day notice instructed ConnectNow! that if it did not timely file and serve its Answer, the Company would be deemed in default and the relief requested by ORS would be granted. No Answer was filed with the Commission or served upon ORS.

The Regulations of the Commission, at 26 S.C. Code Ann. Regs. 103-841(B)(2) (Supp. 2006), provide that if a defendant fails to timely file an Answer or other responsive pleading, the defendant is to be deemed in default and all relevant facts

alleged in the petition are deemed admitted. As the defendant herein has neither filed any responsive pleading nor obtained an extension of time to do so, it is hereby deemed in default and all relevant allegations are deemed admitted.

Accordingly, the Commission hereby enters its order holding ConnectNow! in default. The Commission has further scheduled a hearing for the purpose of determining the amounts due to be refunded to the customers of ConnectNow! Notice of this hearing, scheduled to be held Thursday, March 29, 2007, was issued by the Commission on January 17, 2007.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED:

- 1. That ConnectNow! Telecomm, LLC be deemed in default for failure to answer and all relevant allegations of fact be deemed admitted.
- 2. That the parties appear at a hearing to determine the amounts of the refunds due to the customers of ConnectNow! Telecomm, LLC on Thursday, March 29, 2007, at 2:30 p.m.

3. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

G. O'Neal Hamilton, Chairman

ATTEST:

C. Robert Moseley, Vice Chairman

(SEAL)